Then you touched upon such power being utilised for making sago out of tapioca flour. I do not think we could manage to extract sago from tapioca. I shall however ask the Director of Industries to have his Industrial Chemist experiment in the matter. At present sago comes from the sago palm. It may for all I know be quite possible that we may be able to find it from the tapioca tuber. Even if we do convert tapioca into sago, these two considerations will come up. First of all, tapioca is largely eaten by the people either wholly or partly as a staple food.

Now, Java produces large quantities of tapioca but the people there do not eat it and the whole of it is converted into flour at a cheap rate. With the huge quantity of tapioca exported from Java, it will be impossible for the Travancore tapioca to enter the markets on a competitive basis. According to the present conditions, which I investigated some time ago, it is impossible for Travancore tapioca to compete with the tapioca produced in Java.

You referred to the subject of the Income Tax Regulation. This is a matter which will receive attention at the hands of Government.

176. Economic Development.

MR. K. C. EAPEN (*Member, Mercantile and Trading Classes, Trivandrum*) said that the progress that Travancore was to make was to be along the lines mainly of commerce and industry. There was not very much scope hereafter for the development of agriculture. In regard to industries, the department was still in the stage of experiments. But it was high time that it should do something practical. Something substantial should be done for the development of factory industries and cottage industries. There should be better co-ordination between the departments of agriculture, industry and commerce.

The railway should be extended to Ernakulam. People apprehended that the scheme stood in danger of being given up. If that idea had been entertained by Government, then such a costly establishment as that of the present railway department was, to say the least, unjustifiable. The earlier it was disbanded, the better it would prove to be.

Economic conferences should be held at which important questions relating to trade, industries etc., should be discussed. The Economic Development Board, as at present organised, was doing little or no good. Public money was being merely wasted on it.

In regard to the State Bank, Government should exercise over it a direction or control similar to that exercised by the Government of India over the Imperial Bank. As regards private banks, Government should encourage their growth and grant them some concessions. They did not want loans or anything like that from Government. But Government should lend them their moral support, for instance, Government should recognise the cheques of at least some of them. The amount of the cheques might, if necessary, be limited. Again Government

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should allow some of the co-operative societies to deposit their funds in some reliable private bank instead of in the Imperial Bank of India.

The subordinate officers of the Income Tax Department were still causing much trouble to merchants. To mention only one of their mischiefs, they were making assessments in the most arbitrary fashion.

The Judicial Department should be re-organised. The question of laws delays particularly should be handled soon.

DEWAN'S REPLY:—Mr. Eapen, you made several suggestions for the improvement of the conditions of commerce, industry and agriculture in the State. In the matter of the railway, I quite agree with you that if there is no railway extension, there will be no justification for maintaining a large railway staff once the Trivandrum extension is over. That is a matter which will come up for consideration after the present construction is completed.

You then referred to an economic conference. I do not quite know how that can function, or in what direction work profitably. We shall pass over the Economic Development Board for the time being, and go on to the State Bank to which you referred so frequently. I do not think it is necessary for me to say more than that there is no such thing as a State Bank in Travancore. There is a private joint stock bank which is receiving some aid from Government. And one of the ideas Government had when this institution came into being was, that it should be a central bank which will help other banks in the State. You cannot condemn this particular bank at present because it is still in its infancy. I will have enquiries made on the question of affording recognition to some of the higher class banks already existing in the State.

Then you referred to the working of the income tax law. Income tax in every country where it operates, is looked upon as a nuisance, and I do not think Travancore could be made unique in this matter.

The question of laws delays is engaging the attention of Government.

177. Cottage industries and the economic up-lift of the poor classes.

REV. J. E. KESARI (*Member, Nominated*) said that Travancore could not easily become an industrial country. The reports on the various experiments made by the Department of Industries were as full of negatives as a photographer's studio. That was perhaps inevitable. The only practicable way to secure the development of the country lay in improving the condition of the agriculturists, whose indebtedness and poverty were well-known.

The introduction of suitable cottage industries was the best means of helping the poor agriculturists. Cotton-spinning and weaving could, for instance, be successfully developed as cottage industries. Spinning and weaving were once widely prevalent in South Travancore. The necessary cotton could be grown in the country. Making of

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